

# Instructions for the Wisconsin Estate Tax Return Form W706 and Form W706 Schedules TC (A) and (B)

For Estates of Resident and Nonresident Decedents when  
Date of Death is on or after January 1, 2005

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## GENERAL INSTRUCTIONS

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### Who Must File

The Wisconsin Form W706 must be filed by the person who is or would be responsible for filing the Federal Estate Tax Return (i.e., personal representative, special administrator, trustee, distributee or other person who signs or would sign the Federal Form 706). Form W706 must be filed for every decedent whose gross estate, plus adjusted taxable gifts and specific exemption, is \$675,000 or more.

A tax is imposed upon any transfer of property to any distributee in either of the following cases: (1) when the transfer is from a Wisconsin resident decedent, or (2) when the property transferred is within the jurisdiction of Wisconsin and the decedent was not a resident of Wisconsin on date of death.

The Wisconsin estate tax is based on the Federal State Death Tax Credit as it was computed on December 31, 2000. This tax is imposed on both resident and nonresident decedents. If only a portion of a decedent's property is within the jurisdiction of Wisconsin, the tax imposed is prorated.

For decedent's dying on or after January 1, 2005, the state death tax paid to any state is no longer a credit against the federal estate tax. The state death tax is a deduction from the federal gross estate. The Wisconsin estate tax is still computed with regard to the federal taxable estate. However, the amount of the federal taxable estate will appear after deductions allowed on the federal return. This results in an inter-related computation of the Wisconsin estate tax and corresponding deduction.

To compute the Wisconsin estate tax and corresponding federal deduction, a circular computation must be made. The Department has developed two tax computation schedules: Form W706 Schedule TC – Estate Tax Computation Schedule A and Form W706 Schedule TC – Estate Tax Computation Schedule B to compute the Wisconsin Estate tax for decedents dying on or after January 1, 2005. These schedules allow you to do the circular computation six times and the applicable schedule should be used to compute the estate tax. See the instructions for each schedule on pages 3 and 5 to determine which schedule you should use.

### When to File

The Form W706 is due 9 months after the date of death. If the due date falls on a Saturday, Sunday or federal holiday, the due date is the next business day.

A filing sent via the U.S. Postal Service is considered timely if it is postmarked by the due date and is received by the Department within 5 working days of the due date. A filing sent by any other means will be considered timely only if it is received by the department on or before the due date.

If you cannot file on time, you can request an extension. For an estate that has a federal filing requirement, the Federal Extension Form 4768 will be accepted by the Department if approved by the Internal Revenue Service. A copy of the approved extension must be submitted with the Form W706 within the approved time period.

If you do not have a federal filing requirement or will not be obtaining a federal extension, you may apply for a Wisconsin extension. You should complete Wisconsin Form W4768 and submit it to the Department in duplicate within 9 months following the decedent's date of death. The maximum extension of time to file is 6 months.

**An extension of time to file does not extend time to pay the Wisconsin estate tax. The tax is due 9 months after the date of death.**

### Payment of Tax and Refund

The Wisconsin estate tax is due 9 months after the date of death. Payment must be made to the Wisconsin Department of Revenue and must accompany the Form W706.

To be considered timely, the payment must be postmarked no later than the due date and received by the Department within 5 working days of the due date. A payment sent by any other means than the U.S. Postal Service will be considered timely if it is received by the Department on or before the due date.

If you cannot file the Wisconsin Form W706 on time but need to make the payment of the Wisconsin estate tax, submit the payment with a completed Form 401T in duplicate. The Department will return the copy acknowledging receipt of payment. If you need to request a Wisconsin extension, submit Form W4768 and Form 401T with the Wisconsin estate tax payment.

If you make a prepayment and an additional amount is due when filing Form W706, pay the additional amount due as

shown on Line 10 of the return. Any overpayment of the tax determined will be refunded. No interest will be paid on the refund.

Any late payment will first be applied to penalties, interest and last to the tax principal (Sec. 72.30(7) Wis. Stats.).

If a payment is returned for any reason, the payment is considered void and interest is computed from the date of death (Sec. 72.23 Wis. Stats.).

**Wisconsin estate tax payments are due 9 months from the date of death. There is no extension of time to pay Wisconsin estate tax.**

### Interest

If the estate tax determined is not paid within 9 months of the decedent's death, interest is due. Interest is calculated from the date of death to the date the tax is paid at the rate of 12% per year. Interest is assessed regardless of any extension to file the return.

### Penalty

Any person who fails to file a return by the due date is subject to a penalty of 5% of the tax due but not less than \$25 nor more than \$500 (Sec. 72.235 Wis. Stats.).

### Attachments

Submit the following applicable documents with your Wisconsin Form W706 and Schedule TC (A) or (B):

- A complete copy of the Federal Estate Tax Return Form 706 and copies of ALL schedules and attachments
- Copy(ies) of federal gift tax returns(s) (Form 709)
- Life Insurance Statements (Form 712)
- Copy of approved federal extension (Form 4768)
- Death certificate
- Will and any codicils
- Trust instrument(s) and any amendments
- Other states death tax returns
- Appraisals
- Disclaimers
- Power of Attorney form
- Proof of residency if other than the United States

### Where to File

Mail the completed Form W706 and all attachments to the following address:

Wisconsin Department of Revenue  
Mail Stop 5-144  
PO Box 8904  
Madison, WI 53708-8904

The street address is: Wisconsin Department of Revenue, 2135 Rimrock Road, Madison, WI 53713.

## Certificate Determining Estate Tax

Following the completion of the Department's review, a dated Certificate Determining Estate Tax will be issued. Any person dissatisfied with the determination may apply for a hearing with the circuit court within 6 months from the date the Certificate Determining Estate Tax is issued (Sec. 72.30(4) Wis. Stats.).

### Tax Help

You can access the Department's website 24 hours a day, 7 days a week, at [www.dor.state.wi.us](http://www.dor.state.wi.us). From this website, you can download forms, instructions and see answers to frequently asked questions. If you need additional information, you may email us at [estate@dor.state.wi.us](mailto:estate@dor.state.wi.us) or call us at (608) 266-2772.

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## FORM W706 – LINE INSTRUCTIONS

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The Wisconsin estate tax is computed using amounts from the Federal Estate Tax Return Form 706. You must complete the Federal Form 706 and all supporting applicable schedules prior to completing the Wisconsin Form W706. This must be done whether or not you have a federal filing requirement. **For deaths in 2005 you must use the Federal Form 706 (Rev. August 2005) for decedents dying after December 31, 2004 and before January 1, 2006.**

Complete the top portion of the Form W706 by printing or typing the required information in the boxes provided.

You must also complete Wisconsin Schedule TC – Estate Tax Computation Schedule A or B.

### Will a Closing Certificate for Fiduciaries be needed to close the estate with the circuit court?

Check this box "Yes" only if the estate is subject to probate and the court is requesting it. Checking this box "Yes" does not request a Closing Certificate for Fiduciaries. You must file a Wisconsin Form 2 to request a Closing Certificate for Fiduciaries.

■ **Line 1** You will have to complete Schedule TC (A) or (B) prior to completing this line. Enter the lesser of line 7 or 17, Column F of Schedule TC (A) or (B).

■ **Line 2 Gross Value of Property in Wisconsin** Enter the gross value of property that is taxable to Wisconsin (not reduced by mortgages and liens).

■ **Line 3 Gross Value of Total Estate** Enter the amount from line 1 of Schedule TC (A) or (B).

■ **Line 4 Percent of Property in Wisconsin** The percentage of property in Wisconsin is calculated by dividing the gross value of property in Wisconsin by the gross value of the total estate.

Divide line 2 of Form W706 by line 3 of Form W706 and enter the result on this line. The percentage should be carried to 4 decimal places.

*Example:* A Wisconsin resident died October 1, 2005 with a gross estate of \$750,000 of which \$350,000 was out-of-state real estate. Enter 53.33 on line 4.

$$\frac{\$400,000 \text{ WI Property}}{\$750,000 \text{ Gross Estate}} = .5333 \text{ or } 53.33\%$$

■ **Line 5 Wisconsin Estate Tax** Enter the amount from line 20, Column F of Schedule TC (A) or (B).

■ **Line 6 Interest** If the estate tax determined is not paid within 9 months of the decedent's death, interest is due. Interest should be calculated from the **date of death** to the date paid at the rate of 12% per year.

■ **Line 7 Penalty** Any person who fails to file a return by the due date is subject to a penalty of 5% of the Wisconsin estate tax (Line 5, Form W706). The penalty cannot be less than \$25 or more than \$500 and is imposed even if there is no tax due.

■ **Line 8 Total Tax, Interest and Penalty** Add lines 5, 6 and 7 of Form W706 and enter the result here.

■ **Line 9 Previous Payment** Enter the date of previous payment in the space provided and the amount paid on line 9.

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## SPECIAL INSTRUCTIONS

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### Amending Form W706

If you find that you must change something on a return that has already been filed, you should:

- File another Form W706 and Schedule TC (A) or (B) with the amended information reported.
- Check the "Amended" box on the Form W706.
- Attach a copy of pages 1, 2, and 3 of federal Form 706 and all schedules affected by the change(s).

You may amend the estate tax return to claim a refund within 6 months of the date on the Certificate Determining Estate Tax.

To protect your claim for refund after a Certificate Determining Estate Tax has been issued, you must apply for a hearing with the circuit court within 6 months from the date on the Certificate Determining Estate Tax. If you become aware of the claim for refund shortly before the 6 month time period expires or you have not reached an acceptable resolution of the claim for refund with the Department before the 6 month time period expires, you must apply for a hearing with the circuit court within the 6 month time period to protect your claim.

You must amend the Wisconsin W706 to add after discovered assets at any time.

### Adjustments

If the estate is entitled to a refund or has an additional tax liability because of a federal estate tax audit, the estate must notify the Wisconsin Department of Revenue within 30 days of receiving notice of that fact. Submit a copy of the federal audit report, federal closing letter and/or other documentation that supports the adjustments.

### Installment Payments

Some estates may qualify to pay the Wisconsin estate tax in installments. If a percentage of the federal tax on an estate may be paid in installments under section 6166 of the Internal Revenue Code (IRC), the same percentage of Wisconsin estate tax may be paid under the same installment schedule. An election to pay in installments for federal estate tax purposes does not constitute an election for Wisconsin estate tax purposes. Written notice of the election to pay the Wisconsin estate tax in installments must be filed with the Wisconsin Department of Revenue within 9 months after the decedent's death. The provisions on acceleration of installment payments under section 6166(g) of the IRC shall apply. Interest is computed at the rate of 12% per annum from date of death. Contact the department for the approved lien form.

Distributees of real estate must provide the Department a certified copy of a lien for unpaid taxes and interest on the property to secure payment and shall record the lien in the office of the register of deeds of the county in which the property is located. Distributees of personal property shall either provide a lien or provide the Department a financial guarantee bond equal to the estimated tax and interest if the tax has not been determined. Upon determination of the tax, distributees of personal property shall provide a lien or a financial guarantee bond sufficient to secure payment of the tax and interest or pay the excess over the amount of tax and interest secured by the bond.

Any distributee who fails to provide the security required or disposes of one-third or more of the property on which the tax is secured, shall pay the tax in full.

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## INSTRUCTIONS FOR FORM W706 SCHEDULE TC – ESTATE TAX COMPUTATION SCHEDULE A

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The Wisconsin estate tax for deaths in 2005 is computed using amounts from the Federal Estate Tax Return, Form 706 (Rev. August 2005). You must complete the federal Form 706 (Rev. August 2005) and all supporting applicable schedules prior to completing the Schedule TC. This must be done whether or not you have a federal filing requirement.

**You should use Schedule TC (A) if:**

- The decedent died on or after January 1, 2005,
- The decedent was a resident of Wisconsin on the date of death and
- All of the decedent's property is taxable to Wisconsin.

If ALL THREE of the above requirements are NOT met, you should use Form W706 Schedule TC (B). See page 5 for the Instructions for Form W706 Schedule TC (B).

To compute the Wisconsin estate tax and corresponding federal deduction for deaths in 2005, a circular computation must be made. The Schedule TC (A) is designed for 6 computations. The computations are in columns and are labeled A, B, C, D, E and F. You must first complete Column A, lines 1 through 20 and get a result before moving on to Column B.

■ **Line 1** Enter the amount from Line 1 of Part 2, Federal Form 706 (Rev. August 2005). This amount is the same for all columns.

■ **Line 2** Enter the amount from Line 3a of Part 2, Federal Form 706 (Rev. August 2005). This amount is the same for all columns.

■ **Line 3 Wisconsin State Death Tax Deduction**

Column A: Do not enter any amount.

Column B: Enter the amount from line 20, Column A

Column C: Enter the amount from line 20, Column B

Column D: Enter the amount from line 20, Column C

Column E: Enter the amount from line 20, Column D

Column F: Enter the amount from line 20, Column E

NOTE: This is a deduction, not a credit.

■ **Line 4** Subtract line 3 from line 2 and enter the result.

■ **Line 5a Nontaxable Insurance and Retirement**

**Benefits** No tax is imposed upon the transfer of benefits or any right or interest in benefits payable to a decedent's estate or distributee for any employee retirement plan of the United States, State of Wisconsin or Wisconsin Class A municipality (Secs. 40.08(1) and 62.63(4), Wis. Stats.). Life insurance administered by the Department of Employee Trust Funds is nontaxable for Wisconsin estate tax purposes. Enter the amount of nontaxable insurance or retirement benefits on line 5a of Schedule TC (A). This amount is the same for all columns.

■ **Line 5b Exemption** The Wisconsin allowable exemption amount is \$60,000.

■ **Line 5c** Add lines 5a and 5b and enter the result.

■ **Line 6 Adjusted Taxable Estate** Subtract line 5c from line 4 and enter the result.

■ **Line 7** Compute the tax on the amount on line 6 using Table B on page 6. Enter the result.

■ **Line 8 Percent of property in Wisconsin** Complete lines 2, 3 and 4 of Form W706. Enter the percentage (carried to 4 decimal places) from line 4 of Form W706 on line 8 of Schedule TC (A), columns A through F. The percentage should equal 100%. If not, see Schedule TC (B).

■ **Line 9** Multiply line 7 by line 8 and enter the result.

■ **Line 10** Add the amounts on lines 3a and 4 of part 2, Federal Form 706 (Rev. August 2005) and enter the result.

■ **Line 11 Wisconsin State Death Tax Deduction**

Column A: Do not enter any amount.

Column B: Enter the amount from line 20, Column A

Column C: Enter the amount from line 20, Column B

Column D: Enter the amount from line 20, Column C

Column E: Enter the amount from line 20, Column D

Column F: Enter the amount from line 20, Column E

NOTE: This is a deduction, not a credit.

■ **Line 12** Subtract line 11 from line 10 and enter the result.

■ **Line 13 Nontaxable Insurance/Pensions** Enter the amount from line 5a above.

■ **Line 14 Taxable Amount** Subtract line 13 from line 12 and enter the result.

■ **Line 15** Compute the tentative tax on the amount on line 14, using Table A on page 6. Enter the result.

■ **Line 16a** Enter the amount from line 7 of Part 2, Federal Form 706.

■ **Line 16b Wisconsin Unified Credit** The Wisconsin Unified Credit is \$220,550.

■ **Line 16c** Add the amounts on lines 16a and 16b and enter the result.

NOTE: If you have an entry on line 10 of the Federal Form 706 (adjustments to unified credit), subtract this amount from the sum of lines 16a and 16b and enter the result on line 16c.

■ **Line 17** Subtract line 16c from line 15 and enter the result.

■ **Line 18 Percent of Property in Wisconsin** Enter the amount from line 8 above.

■ **Line 19** Multiply line 17 by line 18 and enter the result.

■ **Line 20 Wisconsin Estate Tax** Enter the lesser of the amount on line 9 or line 19, but not less than zero. Enter the amount shown in column F, line 20 on line 5 of Wisconsin Form W706.



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## INSTRUCTIONS FOR FORM W706

### SCHEDULE TC – ESTATE TAX

### COMPUTATION SCHEDULE B

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The Wisconsin estate tax for deaths in 2005 is computed using amounts from the Federal Estate Tax Return, Form 706 (Rev. August 2005). You must complete the federal Form 706 (Rev. August 2005) and all supporting applicable schedules prior to completing the Schedule TC (B). This must be done whether or not you have a federal filing requirement.

#### You should use Schedule TC (B) if:

- The decedent died on or after January 1, 2005 and
- Only a portion of the decedent's property is taxable to Wisconsin.

To compute the Wisconsin estate tax and corresponding federal deduction for deaths in 2005, a circular computation must be made. The Schedule TC (B) is designed for 6 computations. The computations are calculated in columns and are labeled A, B, C, D, E and F. You must first complete Column A, lines 1 through 20 and get a result before moving on to Column B.

■ **Line 1** Enter the amount from Line 1 of Part 2, Federal Form 706 (Rev. August 2005). This amount is the same for all columns.

■ **Line 2** Enter the amount from Line 3a of Part 2, Federal Form 706 (Rev. August 2005). This amount is the same for all columns.

■ **Line 3a Other States Death Tax Deduction** Add the death taxes paid to all OTHER states, as deducted on line 3b of federal Form 706 (Rev. August 2005). Enter the total. **Do not include any amount for Wisconsin estate taxes paid on this line.**

■ **Line 3b Wisconsin State Death Tax Deduction**

Column A: Do not enter any amount.

Column B: Enter the amount from line 20, Column A

Column C: Enter the amount from line 20, Column B

Column D: Enter the amount from line 20, Column C

Column E: Enter the amount from line 20, Column D

Column F: Enter the amount from line 20, Column E

NOTE: This is a deduction, not a credit.

■ **Line 3c** Add lines 3a and 3b and enter the result.

■ **Line 4** Subtract line 3c from line 2 and enter the result.

■ **Line 5a Nontaxable Insurance and Pensions** No tax is imposed upon the transfer of benefits or any right or interest in benefits payable to a decedent's estate or distributee for any employee retirement plan of the United States, State of Wisconsin, or Wisconsin municipality

(Secs. 40.08(1) and 62.63(4), Wis. Stats.). Life insurance administered by the Department of Employee Trust Funds is nontaxable for Wisconsin estate tax purposes. Enter the amount of nontaxable insurance or pensions on line 5a of Schedule TC (B). This amount is the same for all columns.

■ **Line 5b Exemption** The Wisconsin allowable exemption amount is \$60,000.

■ **Line 5c** Add lines 5a and 5b and enter the result.

■ **Line 6 Adjusted Taxable Estate** Subtract line 5c from line 4 and enter the result.

■ **Line 7** Compute the tax on the amount on line 6 using Table B on page 6. Enter the result.

■ **Line 8 Percent of Property in Wisconsin** Complete lines 2, 3 and 4 of Form W706. Enter the percentage (carried to 4 decimal places) from line 4 of Form W706 on line 8 of Schedule TC (B), Columns A through F.

The percent of property in Wisconsin is calculated by dividing the gross value of property in Wisconsin by the gross value of the total estate. The percentage should be carried to 4 decimal places.

*Example:* A Wisconsin resident died October 1, 2005 with a gross estate of \$750,000 of which \$350,000 was out-of-state real estate. The percent of property in Wisconsin is 53.33 calculated as follows:

$$\frac{\$400,000 \text{ WI Property}}{\$750,000 \text{ Gross Estate}} = .5333 \text{ or } 53.33\%$$

■ **Line 9** Multiply line 7 by line 8 and enter the result.

■ **Line 10** Add the amounts on lines 3a and 4 of part 2, federal Form 706 (Rev. August 2005) and enter the result.

■ **Line 11a Other States Death Tax Deduction** Enter the amount from line 3a above.

■ **Line 11b Wisconsin State Death Tax Deduction**

Column A: Do not enter any amount.

Column B: Enter the amount from line 20, Column A

Column C: Enter the amount from line 20, Column B

Column D: Enter the amount from line 20, Column C

Column E: Enter the amount from line 20, Column D

Column F: Enter the amount from line 20, Column E

NOTE: This is a deduction, not a credit.

■ **Line 11c** Add line 11a and line 11b and enter the result.

■ **Line 12** Subtract line 11c from line 10 and enter the result.

■ **Line 13 Nontaxable Insurance/Pensions** Enter the amount from line 5a above.

■ **Line 14 Taxable Amount** Subtract line 13 from line 12 and enter the result.

■ **Line 15** Compute the tentative tax on the amount on line 14, using Table A on page 6. Enter the result.

■ **Line 16a** Enter the amount from line 7 of Part 2, Federal Form 706 (Rev. August 2005).

■ **Line 16b Wisconsin Unified Credit** The Wisconsin Unified Credit is \$220,550.

■ **Line 16c** Add the amounts on lines 16a and 16b and enter the result.

NOTE: If you have an entry on line 10 of the federal Form 706 (adjustment to unified credit), subtract this amount from the sum of lines 16a and 16b and enter on line 16c.

■ **Line 17** Subtract line 16c from line 15 and enter the result.

■ **Line 18 Percent of Property in Wisconsin** Enter the amount from line 8 above.

■ **Line 19** Multiply line 17 by line 18 and enter the result.

■ **Line 20 Wisconsin Estate Tax** Enter the lesser of the amount on line 9 or line 19 but not less than zero. Enter the amount shown in column F, line 20 on line 5 of Wisconsin Form W706.

## EXAMPLES

*Example 1:* The decedent was a resident of Wisconsin and all of his property is taxable to Wisconsin. He did not have any Wisconsin nontaxable insurance or pensions. The total federal gross estate is \$725,000 and the total allowable deductions are \$30,000. You should use Form W706 Schedule TC – Estate Tax Computation Schedule (A). The Wisconsin estate tax is \$5,388. See page 7 for the completed Schedule TC.

*Example 2:* Assume the same facts as in Example 1 except that \$100,000 of adjusted taxable gifts was reported on line 4 of federal Form 706. The Wisconsin estate tax is \$17,115. See page 8 for the completed Schedule TC.

*Example 3:* The decedent was a resident of Illinois. She owned real estate valued at \$600,000 located in Wisconsin. The total federal gross estate is \$5,500,000 and the total allowable deductions are \$150,000. The death tax paid to Illinois was \$350,000. The percent of property located in Wisconsin is 10.91%, calculated as follows:

$$\frac{\$ 600,000 \text{ WI Property}}{\$5,500,000 \text{ Gross Estate}} = .1091 \text{ or } 10.91\%$$

You should use Form W706 Schedule TC – Estate Tax Computation Schedule (B). The Wisconsin estate tax is \$42,208. See page 9 for the completed Schedule TC.

Table A – Unified Rate Schedule

Column A Taxable amount over	Column B Taxable amount not over	Column C Tax on amount in Column A	Column D Rate of tax (Percent) on excess over amount in Column A
\$ 0	\$ 10,000	\$ 0	18 %
10,000	20,000	1,800	20
20,000	40,000	3,800	22
40,000	60,000	8,200	24
60,000	80,000	13,000	26
80,000	100,000	18,200	28
100,000	150,000	23,800	30
150,000	250,000	38,800	32
250,000	500,000	70,800	34
500,000	750,000	155,800	37
750,000	1,000,000	248,300	39
1,000,000	1,250,000	345,800	41
1,250,000	1,500,000	448,300	43
1,500,000	2,000,000	555,800	45
2,000,000	2,500,000	780,800	49
2,500,000	3,000,000	1,025,800	53
3,000,000	-----	1,290,800	55

Table B – Computation of Maximum Credit  
for State Death Taxes

Column 1 Adjusted taxable estate equal to or more than –	Column 2 Adjusted taxable estate less than –	Column 3 Credit on amount in Column 1	Column 4 Rate of credit (Percent) on excess over amount in Column 1
\$ 0	\$ 40,000	\$ 0	None
40,000	90,000	0	0.8 %
90,000	140,000	400	1.6
140,000	240,000	1,200	2.4
240,000	440,000	3,600	3.2
440,000	640,000	10,000	4.0
640,000	840,000	18,000	4.8
840,000	1,040,000	27,600	5.6
1,040,000	1,540,000	38,800	6.4
1,540,000	2,040,000	70,800	7.2
2,040,000	2,540,000	106,800	8.0
2,540,000	3,040,000	146,800	8.8
3,040,000	3,540,000	190,800	9.6
3,540,000	4,040,000	238,800	10.4
4,040,000	5,040,000	290,800	11.2
5,040,000	6,040,000	402,800	12.0
6,040,000	7,040,000	522,800	12.8
7,040,000	8,040,000	650,800	13.6
8,040,000	9,040,000	786,800	14.4
9,040,000	10,040,000	930,800	15.2
10,040,000	-----	1,082,800	16.0

# Form W706 – Schedule TC

# Estate Tax Computation Schedule

A

Estate of: **Example 1**

For an estate of a resident decedent when the decedent's date of death is on or after January 1, 2005 and **all property is taxable to Wisconsin**

SS#	Column A	Column B	Column C	Column D	Column E	Column F
1) Line 1 of Part 2, Federal Form 706	(1) 725,000	(1) 725,000	(1) 725,000	(1) 725,000	(1) 725,000	(1) 725,000
2) Line 3a of Part 2, Federal Form 706	(2) 695,000	(2) 695,000	(2) 695,000	(2) 695,000	(2) 695,000	(2) 695,000
3) Wisconsin State Death Tax Deduction (line 20 from preceding column)		(3)(20A) 7,400	(3)(20B) 4,662	(3)(20C) 5,675	(3)(20D) 5,300	(3)(20E) 5,439
4) Subtract line (3) from line (2)	(4) 695,000	(4) 687,600	(4) 690,338	(4) 689,325	(4) 689,700	(4) 689,561
5a) Nontaxable insurance / pensions	(5a) 0	(5a) 0	(5a) 0	(5a) 0	(5a) 0	(5a) 0
b) Exemption	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000
c) Add lines (5a) and (5b)	(5c) 60,000	(5c) 60,000	(5c) 60,000	(5c) 60,000	(5c) 60,000	(5c) 60,000
6) Adjusted taxable estate. Subtract line (5c) from line (4)	(6) 635,000	(6) 627,600	(6) 630,338	(6) 629,325	(6) 629,700	(6) 629,561
7) Compute Wisconsin Estate Tax on line (6) using Table B.	(7) 17,800	(7) 17,504	(7) 17,614	(7) 17,573	(7) 17,588	(7) 17,582
8) Percent of property in Wisconsin	(8) 100%	(8) 100%	(8) 100%	(8) 100%	(8) 100%	(8) 100%
9) Multiply line (7) by line (8)	(9) 17,800	(9) 17,504	(9) 17,614	(9) 17,573	(9) 17,588	(9) 17,582
10) Total of line 3a and line 4 of Part 2, Federal Form 706	(10) 695,000	(10) 695,000	(10) 695,000	(10) 695,000	(10) 695,000	(10) 695,000
11) Wisconsin State Death Tax Deduction (line 20 from preceding column)		(11)(20A) 7,400	(11)(20B) 4,662	(11)(20C) 5,675	(11)(20D) 5,300	(11)(20E) 5,439
12) Subtract line (11) from line (10)	(12) 695,000	(12) 687,600	(12) 690,338	(12) 689,325	(12) 689,700	(12) 689,561
13) Nontaxable insurance / pensions	(13) 0	(13) 0	(13) 0	(13) 0	(13) 0	(13) 0
14) Taxable Amount Subtract line (13) from line (12)	(14) 695,000	(14) 687,600	(14) 690,338	(14) 689,325	(14) 689,700	(14) 689,561
15) Compute tentative tax on line (14) using Table A	(15) 227,950	(15) 225,212	(15) 226,225	(15) 225,850	(15) 225,989	(15) 225,938
16a) Line 7 of Part 2, Federal Form 706	(16a) 0	(16a) 0	(16a) 0	(16a) 0	(16a) 0	(16a) 0
b) Unified Credit as of 12-30-2000	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550
c) Add lines (16a) and (16b)	(16c) 220,550	(16c) 220,550	(16c) 220,550	(16c) 220,550	(16c) 220,550	(16c) 220,550
17) Subtract line (16c) from line (15)	(17) 7,400	(17) 4,662	(17) 5,675	(17) 5,300	(17) 5,439	(17) 5,388
18) Percent of property in Wisconsin	(18) 100%	(18) 100%	(18) 100%	(18) 100%	(18) 100%	(18) 100%
19) Multiply line (17) by line (18)	(19) 7,400	(19) 4,662	(19) 5,675	(19) 5,300	(19) 5,439	(19) 5,388
20) WISCONSIN ESTATE TAX (lesser of line (9) or (19), but not less than 0) Enter amount from line 20F on line 5 of Form W706	(20A) 7,400	(20B) 4,662	(20C) 5,675	(20D) 5,300	(20E) 5,439	(20F) 5,388

# Form W706 – Schedule TC

# Estate Tax Computation Schedule

A

Estate of: **Example 2**

For an estate of a resident decedent when the decedent's date of death is on or after January 1, 2005 and **all property is taxable to Wisconsin**

SS#	Column A	Column B	Column C	Column D	Column E	Column F
1) Line 1 of Part 2, Federal Form 706	(1) 725,000	(1) 725,000	(1) 725,000	(1) 725,000	(1) 725,000	(1) 725,000
2) Line 3a of Part 2, Federal Form 706	(2) 695,000	(2) 695,000	(2) 695,000	(2) 695,000	(2) 695,000	(2) 695,000
3) Wisconsin State Death Tax Deduction (line 20 from preceding column)		(3)(20A) 17,800	(3)(20B) 17,088	(3)(20C) 17,116	(3)(20D) 17,115	(3)(20E) 17,115
4) Subtract line (3) from line (2)	(4) 695,000	(4) 677,200	(4) 677,912	(4) 677,884	(4) 677,885	(4) 677,885
5a) Nontaxable insurance / pensions	(5a) 0	(5a) 0	(5a) 0	(5a) 0	(5a) 0	(5a) 0
b) Exemption	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000
c) Add lines (5a) and (5b)	(5c) 60,000	(5c) 60,000	(5c) 60,000	(5c) 60,000	(5c) 60,000	(5c) 60,000
6) Adjusted taxable estate. Subtract line (5c) from line (4)	(6) 635,000	(6) 617,200	(6) 617,912	(6) 617,884	(6) 617,885	(6) 617,885
7) Compute Wisconsin Estate Tax on line (6) using Table B.	(7) 17,800	(7) 17,088	(7) 17,116	(7) 17,115	(7) 17,115	(7) 17,115
8) Percent of property in Wisconsin	(8) 100%	(8) 100%	(8) 100%	(8) 100%	(8) 100%	(8) 100%
9) Multiply line (7) by line (8)	(9) 17,800	(9) 17,088	(9) 17,116	(9) 17,115	(9) 17,115	(9) 17,115
10) Total of line 3a and line 4 of Part 2, Federal Form 706	(10) 795,000	(10) 795,000	(10) 795,000	(10) 795,000	(10) 795,000	(10) 795,000
11) Wisconsin State Death Tax Deduction (line 20 from preceding column)		(11)(20A) 17,800	(11)(20B) 17,088	(11)(20C) 17,116	(11)(20D) 17,115	(11)(20E) 17,115
12) Subtract line (11) from line (10)	(12) 795,000	(12) 777,200	(12) 777,912	(12) 777,884	(12) 777,885	(12) 777,885
13) Nontaxable insurance / pensions	(13) 0	(13) 0	(13) 0	(13) 0	(13) 0	(13) 0
14) Taxable Amount Subtract line (13) from line (12)	(14) 795,000	(14) 777,200	(14) 777,912	(14) 777,884	(14) 777,885	(14) 777,885
15) Compute tentative tax on line (14) using Table A	(15) 265,850	(15) 258,908	(15) 259,186	(15) 259,175	(15) 259,175	(15) 259,175
16a) Line 7 of Part 2, Federal Form 706	(16a) 0	(16a) 0	(16a) 0	(16a) 0	(16a) 0	(16a) 0
b) Unified Credit as of 12-30-2000	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550
c) Add lines (16a) and (16b)	(16c) 220,550	(16c) 220,550	(16c) 220,550	(16c) 220,550	(16c) 220,550	(16c) 220,550
17) Subtract line (16c) from line (15)	(17) 45,300	(17) 38,358	(17) 38,636	(17) 38,625	(17) 38,625	(17) 38,625
18) Percent of property in Wisconsin	(18) 100%	(18) 100%	(18) 100%	(18) 100%	(18) 100%	(18) 100%
19) Multiply line (17) by line (18)	(19) 45,300	(19) 38,358	(19) 38,636	(19) 38,625	(19) 38,625	(19) 38,625
20) WISCONSIN ESTATE TAX (lesser of line (9) or (19), but not less than 0) Enter amount from line 20F on line 5 of Form W706	(20A) 17,800	(20B) 17,088	(20C) 17,116	(20D) 17,115	(20E) 17,115	(20F) 17,115



# Form W706 – Schedule TC

# Estate Tax Computation Schedule

**B**

Estate of: **Example 3**

For an estate when decedent's (resident or nonresident) date of death is on or after January 1, 2005 and **not all the decedent's property is taxable to Wisconsin**

SS#	Column A	Column B	Column C	Column D	Column E	Column F
1) Line 1 of Part 2, Federal Form 706	(1) 5,500,000	(1) 5,500,000	(1) 5,500,000	(1) 5,500,000	(1) 5,500,000	(1) 5,500,000
2) Line 3a of Part 2, Federal Form 706	(2) 5,350,000	(2) 5,350,000	(2) 5,350,000	(2) 5,350,000	(2) 5,350,000	(2) 5,350,000
3a) Other States Death Tax Deduction	(3a) 350,000	(3a) 350,000	(3a) 350,000	(3a) 350,000	(3a) 350,000	(3a) 350,000
b) Wisconsin State Death Tax Deduction (line 20 from preceding column)		(3b)(20A) 42,724	(3b)(20B) 42,202	(3b)(20C) 42,208	(3b)(20D) 42,208	(3b)(20E) 42,208
c) Add lines (3a) and (3b)	(3c) 350,000	(3c) 392,724	(3c) 392,202	(3c) 392,208	(3c) 392,208	(3c) 392,208
4) Subtract line (3c) from line (2)	(4) 5,000,000	(4) 4,957,276	(4) 4,957,798	(4) 4,957,792	(4) 4,957,792	(4) 4,957,792
5a) Nontaxable insurance / pensions	(5a) 0	(5a) 0	(5a) 0	(5a) 0	(5a) 0	(5a) 0
b) Exemption	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000	(5b) \$ 60,000
c) Add lines (5a) and (5b)	(5c) 60,000	(5c) 60,000	(5c) 60,000	(5c) 60,000	(5c) 60,000	(5c) 60,000
6) Adjusted taxable estate. Subtract line (5c) from line (4)	(6) 4,940,000	(6) 4,897,276	(6) 4,897,798	(6) 4,897,792	(6) 4,897,792	(6) 4,897,792
7) Compute Wisconsin Estate Tax on line (6) using Table B	(7) 391,600	(7) 386,815	(7) 386,873	(7) 386,873	(7) 386,873	(7) 386,873
8) Percent of property in Wisconsin (from Form W706 line 4)	(8) 10.91%	(8) 10.91%	(8) 10.91%	(8) 10.91%	(8) 10.91%	(8) 10.91%
9) Multiply line (7) by line (8)	(9) 42,724	(9) 42,202	(9) 42,208	(9) 42,208	(9) 42,208	(9) 42,208
10) Total of lines 3a and 4 of Part 2, Federal Form 706	(10) 5,350,000	(10) 5,350,000	(10) 5,350,000	(10) 5,350,000	(10) 5,350,000	(10) 5,350,000
11a) Other States Death Tax Deduction	(11a) 350,000	(11a) 350,000	(11a) 350,000	(11a) 350,000	(11a) 350,000	(11a) 350,000
b) Wisconsin State Death Tax Deduction (line 20 from preceding column)		(11b)(20A) 42,724	(11b)(20B) 42,202	(11b)(20C) 42,208	(11b)(20D) 42,208	(11b)(20E) 42,208
c) Add lines (11a) and (11b)	(11c) 350,000	(11c) 392,724	(11c) 392,202	(11c) 392,208	(11c) 392,208	(11c) 392,208
12) Subtract line (11c) from line (10)	(12) 5,000,000	(12) 4,957,276	(12) 4,957,798	(12) 4,957,792	(12) 4,957,792	(12) 4,957,792
13) Nontaxable insurance / pensions	(13) 0	(13) 0	(13) 0	(13) 0	(13) 0	(13) 0
14) Taxable Amount Subtract line (13) from line (12)	(14) 5,000,000	(14) 4,957,276	(14) 4,957,798	(14) 4,957,792	(14) 4,957,792	(14) 4,957,792
15) Compute tentative tax on line (14) using Table A	(15) 2,390,800	(15) 2,367,302	(15) 2,367,589	(15) 2,367,586	(15) 2,367,586	(15) 2,367,586
16a) Line 7 of Part 2, Federal Form 706	(16a) 0	(16a) 0	(16a) 0	(16a) 0	(16a) 0	(16a) 0
b) Unified Credit as of 12-30-2000	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550	(16b) \$ 220,550
c) Add lines (16a) and (16b)	(16c) 220,550	(16c) 220,550	(16c) 220,550	(16c) 220,550	(16c) 220,550	(16c) 220,550
17) Subtract line (16c) from line (15)	(17) 2,170,250	(17) 2,146,752	(17) 2,147,039	(17) 2,147,036	(17) 2,147,036	(17) 2,147,036
18) Percent of property in Wisconsin (from Form W706 line 4)	(18) 10.91%	(18) 10.91%	(18) 10.91%	(18) 10.91%	(18) 10.91%	(18) 10.91%
19) Multiply line (17) by line (18)	(19) 236,774	(19) 234,211	(19) 234,242	(19) 234,242	(19) 234,242	(19) 234,242
20) WISCONSIN ESTATE TAX (lesser of line (9) or (19), but not less than 0) Enter amount from line 20F on line 5 of Form W706	(20A) 42,724	(20B) 42,202	(20C) 42,208	(20D) 42,208	(20E) 42,208	(20F) 42,208